

Department of Legislative Services
 Maryland General Assembly
 2026 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 830 (Senator Waldstreicher)
 Judicial Proceedings

Handgun Roster Reform

This bill makes numerous changes to the process for the review, evaluation, and placement of a handgun on the handgun roster and transfers a majority of the duties and responsibilities from the Handgun Roster Board to the Attorney General. The Department of State Police (DSP) must test handguns submitted for placement on the handgun roster. The Attorney General, in consultation with DSP and the board, must reevaluate all handguns that were approved to be on the handgun roster before October 1, 2026, and by March 31, 2028, DSP must test all such handguns. Any petition to place a handgun on the handgun roster filed on or before and pending as of October 1, 2026, must be adjudicated under the bill’s procedures. By January 1 each year, the board must submit to the Attorney General and the Secretary of State Police a recommended fee schedule for handgun roster petitions, processing, testing, and retesting. The Attorney General must consider the board’s fee schedule recommendations, as specified, and may adopt, modify, or reject the recommendations. By January 1 each year, the board, in consultation with the Attorney General and the Secretary, must submit an annual report to the General Assembly with specified information. The bill’s provisions are severable.

Fiscal Summary

State Effect: General fund expenditures increase by \$10.0 million in FY 2027, by \$10.2 million in FY 2028, and by at least \$1.4 million annually thereafter. General fund revenues from fees increase correspondingly under the assumptions discussed below.

(\$ in millions)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
GF Revenue	\$10.0	\$10.2	\$1.4	\$1.4	\$1.5
GF Expenditure	\$10.0	\$10.2	\$1.4	\$1.4	\$1.5
Net Effect	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: The bill is not anticipated to materially affect local government finances or operations.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary:

Duties of the Attorney General: The Attorney General must conduct a legal review of each petition to place a handgun on the handgun roster (as well as specified materials and information provided to the Attorney General with a petition) and determine whether the handgun is lawful under State and federal law for placement on the handgun roster. The Attorney General must carefully consider specified characteristics of a handgun without placing undue weight on any one characteristic in determining whether any handgun should be placed on the handgun roster. The Attorney General must approve the placement of a handgun on the handgun roster on the successful petition of any person.

Unless the review period is tolled while reasonable requests for additional information are pending or the review period is extended for good cause at the direction of the Attorney General, the Attorney General must complete the review of a petition within 45 days and issue a written determination to the board and the petitioner regarding whether the handgun is lawful under State and federal law for placement on the handgun roster. The written determination must include (1) a statement as to whether the handgun is lawful to be placed on the handgun roster under State and federal law; (2) the supporting legal analysis for the approval or denial of placement of the handgun on the handgun roster; and (3) if the determination is a denial of placement of the handgun on the handgun roster, whether remediation is available.

The Attorney General is authorized to adopt implementing regulations.

Petition for Placement of Handgun on Handgun Roster: A petition to place a handgun on the handgun roster must be submitted to the Attorney General in writing in the form and manner that the Attorney General requires. A petitioner must provide the following materials and information to the Attorney General with the petition: (1) the handgun markings, as specified; (2) an exemplar or, if an exemplar is not available, a representative model or detailed manufacturer technical specifications of the handgun; (3) any manufacturer representations, including any statements of fact or promises made by the manufacturer about the handgun; and (4) any other additional information requested by the Attorney General. The petitioner has the burden of proving to the Attorney General that the handgun should be placed on the handgun roster.

If, after the review of a petition, the Attorney General denies the placement of a handgun on the handgun roster, the handgun may not be placed on the handgun roster until the Attorney General issues a subsequent written determination that the deficiency has been remedied and the handgun is lawful under State and federal law for placement on the handgun roster. The Attorney General may limit the number of times a petitioner may file a resubmission to place a handgun on the handgun roster.

The Attorney General, in consultation with the board, must publish online all final determinations made under these provisions, as specified. Any petitioner who is aggrieved under the petition process may appeal within 30 days after a final decision of the Attorney General in accordance with the Administrative Procedure Act (APA) under Title 10, Subtitle 2 of the State Government Article.

The board must receive the written determination made by the Attorney General regarding placement of a handgun on the handgun roster solely for purposes of procedural oversight to compile and maintain a handgun roster, as specified. Any materials provided to the board in regard to a petition may be designated as confidential by the Attorney General. If the Attorney General designates materials as confidential, the materials must be kept confidential by all board members, staff members, and counsel, and any board member, staff member, or counsel with access to confidential materials must comply with all applicable confidentiality, conflict of interest, and self-recusal rules. The failure to comply with a rule relating to confidential materials subjects a board member, staff member, or counsel to discipline and any other consequences as provided by law.

Required Testing of a Handgun: Before a handgun is placed on the handgun roster, the handgun must pass testing. The Attorney General may request that DSP test a handgun to determine whether the handgun is safe and functional. If the Attorney General requests testing of a handgun, DSP must (1) conduct the testing or (2) contract with an independent accredited testing laboratory to conduct the testing (and in such a case, the Attorney General must review the agreement). DSP may coordinate testing with the Attorney General, the board, and any other entities DSP considers necessary to carry out these provisions.

The bill establishes various requirements for the testing of a handgun and authorizes DSP to require additional specimens for testing. DSP, or the independent accredited testing laboratory, if retained, must prepare a written test report documenting the test results, as specified. DSP must provide the Attorney General and the board with each completed test report and, if a handgun fails testing, written notice that includes the reason for the failure.

A handgun that fails testing under these provisions may be remediated by the petitioner and resubmitted for a retest. However, if a handgun fails testing under these provisions, a petitioner may not refile a petition for the same handgun for two years from the date of the

fail determination made by DSP or the independent accredited testing laboratory unless the petitioner submits documentation of a material design or manufacturing change.

If a handgun fails testing, the handgun may not be placed on the handgun roster unless and until the handgun passes testing.

If the board identifies a credible testing concern, such as anomalous results, evidence of product variability, or safety concerns, the board may request that DSP conduct additional testing at the expense of the petitioner. The Secretary must make the decision on whether to conduct additional testing.

DSP must adopt regulations to implement the testing provisions, as specified.

Reevaluation of Handguns on the Handgun Roster as of October 1, 2026: The Attorney General, in consultation with DSP and the board, must reevaluate all handguns that were approved to be on the handgun roster before October 1, 2026, to determine whether they are still legal under State and federal law. By March 31, 2028, DSP must test all handguns that are listed on the handgun roster as of October 1, 2026. DSP must work with the board and manufacturers to schedule testing.

Handgun Roster Board: In altering the duties and responsibilities of the board to a procedural oversight role, the bill makes numerous changes to the current role of the board. Specifically, the bill repeals the authority and procedures for the board to receive, review, and approve or deny petitions for placement of a handgun on the handgun register. Instead, the bill requires the board to:

- regularly monitor, review, and audit for compliance any reports, testing, chain-of-custody practices, roster administration, and any other processes;
- report any significant procedural noncompliance to the appropriate oversight authorities for further investigation or enforcement action;
- provide public education about the handgun roster process by holding stakeholder briefings and soliciting input from manufacturers, public safety organizations, public interest groups, and any other relevant parties;
- ensure all board members receive an orientation and annual training on (1) the scope of authority for the board, the Attorney General, the Secretary of State Police, and DSP under statute, as altered by the bill and (2) the distinction between the oversight functions of the board and the determinations made by the Attorney General and any applicable regulations;
- have access to legal counsel provided by the Attorney General or other counsel designated by law for procedural oversight and governance advice; and

- adopt procedures to govern meeting frequency, quorum, notice, record keeping, public access to agendas and minutes of meetings, subject to safety and confidentiality exceptions, vote thresholds, and other administration requirements.

The board may advise and make recommendations to the Attorney General and DSP on policy matters, regulatory priorities, and technical procedural protocols. The Attorney General and DSP must consider the board's recommendations and advice in good faith and provide written response to any board recommendations within a reasonable time period.

The board may not (1) make any determination regarding the lawfulness, safety, or functionality of a handgun or (2) overturn or vacate a determination made by the Attorney General. If the board identifies a procedural issue with respect to the handgun roster process, the board may (1) submit a reasonable recommendation for remedial action to the Attorney General and the Secretary and (2) seek administrative review in accordance with APA. If a board member has a disqualifying interest in a matter before the board, the board member must self-recuse from participation in that matter immediately.

Within 15 days after receipt of a final determination by the Attorney General under the bill's provisions, the board just update the handgun roster. A handgun must be placed on the handgun roster only if the Attorney General determines the handgun is lawful to be placed on the handgun roster and the handgun passes the required testing.

The board must coordinate with the Attorney General and DSP to (1) ensure prompt procedural compliance under the statutory provisions, as altered by the bill; (2) publish and establish interim procedures to effectuate those statutory provisions, as altered by the bill; and (3) adopt implementing regulations.

The bill also alters the membership of the board and specifies that the Secretary must provide reasonable staffing to the board, as specified.

Fee Schedule for Handgun Roster Petitions, Processing, Testing, and Retesting: By January 1 each year, the board must submit to the Attorney General and the Secretary a recommended fee schedule for handgun roster petitions, processing, testing, and retesting. The board's recommendations must be based on (1) administrative costs, including processing petitions, staff review, and recordkeeping requirements and (2) the reasonable and necessary costs of required safety and functionality testing. The Attorney General, in consultation with the Secretary, must consider the board's recommendations for the fee schedules and may adopt, modify, or reject the recommendations.

Enforcement: The Attorney General, in consultation with DSP and the board, must ensure compliance with the bill.

Reporting: By January 1 each year, the board, in consultation with the Attorney General and the Secretary, must submit an annual report to the General Assembly that must include a summary of petitions received during the year, all final determinations rendered, all testing reports (as specified), and any other information determined to be appropriate.

Current Law: The board is an entity within DSP. The Secretary of State Police serves as chair. The board must (1) compile and maintain a handgun roster of authorized handguns that are useful for legitimate sporting, self-protection, or law enforcement purposes; (2) annually publish the handgun roster in the Maryland Register; and (3) semiannually send a copy of the handgun roster to all persons who hold a State-regulated firearms dealer's license in the State. In general, a person may not manufacture, distribute, or sell a handgun in the State that is not included on the handgun roster.

The board must consider carefully each of the following characteristics of a handgun without placing undue weight on any one characteristic in determining whether any handgun should be placed on the handgun roster: (1) concealability; (2) ballistic accuracy; (3) weight; (4) quality of materials; (5) quality of manufacture; (6) reliability as to safety; (7) caliber; (8) detectability by the standard security equipment that is commonly used at an airport or courthouse and that is approved by the Federal Aviation Administration for use at U.S. airports; and (9) utility for legitimate sporting activities, self-protection, or law enforcement.

The board may place a handgun on the handgun roster on its own initiative. However, the board must place a handgun on the handgun roster on the successful petition of any person, unless a court, after all appeals are exhausted, has made a finding that the decision of the board to deny the petition must be affirmed.

A petition to place a handgun on the handgun roster must be submitted to the board in writing in the form and manner that the board requires. A person who petitions for placement of a handgun on the handgun roster has the burden of proving to the board that the handgun should be placed on the handgun roster. Within 45 days after receipt of a petition to place a handgun on the handgun roster, the board must either deny the petition in writing, stating the reasons for denial, or approve the petition and publish a description of the handgun in the Maryland Register, including notice that any objection to the handgun's inclusion on the handgun roster must be filed with the board within 30 days. If the board fails to deny or approve a petition within 45 days after receipt of a petition, the petition must be considered denied. If the board denies a petition to place a handgun on the handgun roster, the board must notify the petitioner by certified mail, return receipt requested. The petitioner may request a hearing within 15 days after the date that the

board's denial letter is received. The board is not required to test any handgun or have any handgun tested at the expense of the board.

If the petitioner requests a hearing, within a reasonable time not to exceed 90 days after receiving the request, the board must hold a hearing on the petition and issue a written final decision on the petition. At a hearing, the petitioner has the burden of proving to the board that the handgun should be placed on the handgun roster because the handgun is useful for legitimate sporting activities, self-protection, or law enforcement purposes.

The board must provide notice of the hearing, and any party of record who is aggrieved may appeal within 30 days after a final decision of the board in accordance with APA.

Generally, a person may not manufacture for distribution or sale a handgun that is not included on the handgun roster in the State. The Secretary of State Police may seek an order from a circuit court to permanently or temporarily enjoin the willful and continuous manufacture, sale, or offer for sale of a handgun that is not included on the handgun roster. A person who manufactures a handgun for distribution or sale that is not included on the handgun roster is guilty of a felony and on conviction is subject to imprisonment for up to five years and/or a fine of up to \$10,000 for each violation. A person who sells or offers to sell a handgun that is not included on the handgun roster is guilty of a felony and on conviction is subject to imprisonment for up to five years and/or a fine of up to \$2,500 for each violation. Each handgun manufactured, sold, or offered for sale that is not included on the handgun roster is a separate violation.

State Expenditures: General fund expenditures increase by approximately \$10.0 million in fiscal 2027, by \$10.2 million in fiscal 2028, and by at least \$1.4 million annually thereafter. The costs by agency are discussed below.

Department of State Police

General fund expenditures for DSP increase by \$9,366,646 in fiscal 2027, which accounts for the bill's October 1, 2026 effective date. This estimate reflects the cost of hiring one management associate, one auditor, and one contractual management associate to assist the board with its modified duties and responsibilities and to collect and process handguns listed on the handgun roster as of October 1, 2026, and deliver them to a vendor for testing. It includes salaries, fringe benefits, one-time start-up costs, contractual costs for handgun testing, and ongoing operating expenses. The information and assumptions used in calculating the estimate are stated below:

- the board has one administrative employee (who is not an auditor) assigned to assist with its duties and responsibilities;

- there are more than 5,000 handgun models currently included on the handgun roster, which must be tested by March 1, 2028;
- DSP does not have facilities capable to test handguns under the standards established by the bill; therefore, it must contract with an independent laboratory for testing;
- the average cost to test each handgun is \$3,500 per model;
- the 5,000 handguns currently on the handgun roster are tested over two years; and
- on average, the board receives approximately 120 new petitions annually, and the petition rate remains constant in future years.

Regular Positions	2.0
Contractual Positions	1.0
Regular Salaries and Fringe Benefits	\$123,608
Contractual Salaries and Fringe Benefits	45,616
Contractual Services for Handgun Testing	9,170,000
Other Operating Expenses	<u>27,422</u>
Total FY 2027 DSP Expenditures	\$9,366,646

Future year expenditures reflect (1) full salaries with annual increases and employee turnover; (2) annual increases in ongoing operating expenses; (3) ongoing costs for testing handguns (totaling \$9,170,000 in fiscal 2028 – as the remainder of the 5,000 handguns currently on the handgun roster are tested, in addition to those that must be tested for new petitions) – and \$420,000 annually thereafter – for new petitions); and (4) termination of the contractual employee on October 1, 2028, once all handguns on the handgun roster as of October 1, 2026, have been tested and any follow-up work related to the testing of those handguns has been completed.

This estimate does not include any health insurance costs that could be incurred for specified contractual employees under the State’s implementation of the federal Patient Protection and Affordable Care Act.

Office of the Attorney General

General fund expenditures for the Office of the Attorney General (OAG) increase by \$641,522 in fiscal 2027, which accounts for the bill’s October 1, 2026 effective date. This estimate reflects the cost of hiring four assistant Attorneys General and one administrative specialist to provide administrative and legal support for the handgun roster process and to provide legal counsel to the board. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Positions	5.0
Salaries and Fringe Benefits	\$595,818
Other Operating Expenses	<u>45,704</u>
Total FY 2027 OAG Expenditures	\$641,522

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

The Judiciary and the Office of Administrative Hearings

It is assumed that the bill’s changes do not materially affect the finances or operations of the Judiciary or the Office of Administrative Hearings.

State Revenues: The bill contemplates the potential for fee revenues to cover the administrative costs related to the petition process established by the bill, as estimated above. Specifically, the bill requires the board, by January 1 each year, to submit to the Attorney General and the Secretary of State Police a recommended fee schedule for handgun roster petitions, processing, testing, and retesting. The board’s recommendations must be based on administrative costs – including processing petitions, staff review, and record keeping requirements – and the reasonable and necessary costs of the required safety and functionality testing. The Attorney General, in consultation with the Secretary, must consider those recommendations and may adopt, modify, or reject the recommendations.

Accordingly, general fund revenues increase to the extent the Attorney General adopts a fee schedule in accordance with the bill. While actual revenues will depend on the fee scheduled ultimately adopted under the bill, for purposes of this analysis, it is assumed that fees are set at a level to fully offset the costs incurred by OAG and DSP each year, as estimated above. As a result, general fund revenues increase by approximately \$10.0 million in fiscal 2027, by \$10.2 million in fiscal 2028, and by at least \$1.4 million annually thereafter. However, the Department of Legislative Services advises that, in order to generate fee revenue of that magnitude, the fees will need to be significant. In addition, it is unclear how fees will be assessed with respect to reevaluating handguns on the handgun roster as of October 1, 2026, as contact information for the original petitioners may no longer be known. (See the Additional Comments.) Accordingly, to the extent fees cannot be set at a level to fully offset costs, the increase in general fund revenues is lower.

Small Business Effect: Some licensed firearms dealers are also manufacturers that create custom handguns for customers, which require placement on the handgun roster. To the extent that customers order fewer custom-built handguns from small businesses dealers, the bill has a meaningful impact.

Additional Comments: Handgun roster petition records began in the 1980s, and DSP advises that each petition is destroyed after five years. Therefore, DSP does not possess contact records for the original petitioner for many handguns currently included on the handgun roster. In addition, many handguns currently included on the handgun roster were custom built and are not available through standard retail sales.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 1339 (Delegate Embry) - Judiciary.

Information Source(s): Office of the Attorney General; Judiciary (Administrative Office of the Courts); Department of Public Safety and Correctional Services; Department of State Police; Office of Administrative Hearings; Department of Legislative Services

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